
Higher Education Committee

HB 2118

Brief Description: Convening an advisory committee on tuition policy.

Sponsors: Representatives Wallace, Carlyle, Sullivan and Kenney.

<p>Brief Summary of Bill</p> <ul style="list-style-type: none">• Requires the Higher Education Coordinating Board to convene an advisory committee on tuition policy and report back to the Legislature by December 1, 2010.

Hearing Date: 2/17/09

Staff: Andi Smith (786-7304)

Background:

In 2006 the State Higher Education Executive Officers conducted a study entitled, "State Tuition, Fees, and Financial Assistance Policies for Public Colleges and Universities." In the report, states were asked to articulate the guiding philosophy driving decisions regarding tuition-setting policy. The philosophies fell into seven broad categories:

1. Tuition should be set at a reasonable rate to provide access.

Community colleges were seen by most agencies as the lowest cost option for higher education. In California and Missouri, fees/ tuition at community colleges are kept low to provide access to all residents, especially to low-income, underrepresented populations. Utah has enacted a low tuition policy to compensate for a family's limited ability to contribute to the educational costs of multiple children.

Overall, access to higher education has become an increasingly important issue for states in the past several years. The belief that low tuition will help to increase (or at least maintain) current levels of participation was shared by 18 states.

2. Tuition should be affordable.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Four states expressed a common concern about student loan burden and the ability of families to afford a college education. The 2005 Legislature in New Mexico recently passed the "College Affordability Act" to directly investigate the impact that increasing tuition levels have on students' ability to afford college.

3. Tuition policy should promote a balance between student and state share of educational costs.

Three states commented on the statewide philosophy of shared responsibility, where the student, the student's family, and the state all share in the cost of higher education.

4. Tuition should allow for both accessibility and high quality education.

Three states hold the belief that the goal of tuition is to provide a quality education at the most affordable price. Tuition increases should be balanced to maintain quality while still supporting access and attainment.

5. Tuition should be competitive with similar programs of other states.

Three states modify their tuition policies to be competitive with those in similar states. Nevada is one example of a state gradually moving from using the Higher Education Price Index to the Western Interstate Commission on Higher Education median over the next several biennia.

6. Tuition policy should be rational and predictable.

Legislation passed by the Illinois General Assembly in 2003 required public universities to set a tuition rate for each incoming class of students that will not change for four years. This "truth-in-tuition" legislation is intended to stabilize tuition increases and help families with personal financial planning. Other states are exploring a similar cohort-based tuition model.

7. Tuition policy is driven by the market.

Only Michigan directly cited using the market as a primary tool to drive tuition policy

Each of these philosophies has led the states to adopt different approaches to tuition, some of which retain authority at the state level, while others empower institutions to set tuition levels. Only seven states indicated that they had adopted a formal state policy.

Summary of Bill:

The Higher Education Coordinating Board (HECB) must convene an advisory committee on tuition policy. Membership must include one member from each of the public baccalaureate institutions, one member from a community college, one member from a technical college, one student attending a baccalaureate institution, one student attending a community or technical college, two faculty members, as well as one member each from the HECB, State Board for Community and Technical Colleges, and the Council of Presidents. The committee will also include two members from the House of Representatives and the Senate.

The committee must investigate: (1) tuition policies in other states and the requisite impacts on citizen participation in higher education; (2) models that would allow the state to charge differential tuition; and (3) models that encourage collaboration and facilitate enrollment at multiple institutions including online programs.

The advisory committee must make recommendations on the amount and manner of tuition-setting that support the implementation of the Strategic Master Plan for Higher Education. The committee must report to the Legislature by December 1, 2010.

Appropriation: None.

Fiscal Note: Requested on February 16, 2009.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.